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VIA ELECTRONIC FILING

EX PARTE

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *WC Docket No. 10-90, Connect America Fund; GN Docket No. 09-51, National Broadband Plan for our Future; WC Docket No. 07-135, Establishing Just and Reasonable Rates for Local Exchange Carriers; WC Docket No. 05-337, High-Cost Universal Service Support; CC Docket No. 01-92, Developing a Unified Intercarrier Compensation Regime; CC Docket No. 96-45, Federal State Joint Board on Universal Service; WC Docket No. 03-109, Lifeline and Link-Up*

Dear Ms. Dortch:

On December 21, 2011, Jennie Chandra and Eric Einhorn from Windstream Communications, Inc., had a telephone conversation with Angela Kronenberg, wireline legal advisor to Commissioner Mignon Clyburn. Chandra and Kronenberg had a follow-up discussion on December 22, 2011.

Windstream urged the Commission to revisit the decision in its recent Universal Service/Intercarrier Compensation Transformation Order to adopt bill-and-keep as the immediately applicable default compensation methodology for non-access traffic between CMRS providers and local exchange carriers (“LECs”) under section 20.11 and Part 51 of the Commission’s rules.¹ Consistent with its previous filings on this matter,² Windstream explained

¹ *See Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, at ¶¶ 988-1002 (rel. Nov. 18, 2011).

² Letter from Karen Brinkmann, Counsel to CenturyLink, Fairpoint Communications, Inc., Frontier Communications Corp., and Windstream Communications, Inc., to Marlene H. Dortch,

that the new rule will have a significant negative financial impact on its company because it has interconnection agreements that cover the vast majority of its CMRS-LEC intraMTA traffic and provide for reciprocal compensation at rates substantially higher than \$0.0007. Moreover, this negative impact will be unmitigated for the first half of 2012. The transition to bill-and-keep occurs immediately, while the access recovery mechanism (“ARM”) designed to provide recovery for reduced intercarrier compensation revenues is not implemented until July 1, 2012.³

Windstream further expressed concern that the Commission’s new rule requiring immediate bill-and-keep for CMRS-LEC intraMTA traffic unintentionally may create a new arbitrage opportunity. Since the rates for CMRS-LEC intraMTA traffic will not be reduced in accordance with the transition applicable to other types of traffic, dishonest carriers may be motivated to classify other types of traffic as CMRS-LEC intraMTA traffic. In addition, the new rule presents a significant implementation challenge, because carriers must change billing systems and revise hundreds of interconnection agreements in short order.

To minimize the negative impact of the rule, Windstream supported the proposal to delay implementation of the rule until July 1, 2012, coinciding with implementation of the ARM. Windstream also emphasized that if the Commission pursues a six-month delay of the rule, it must adopt measures to make certain that during the delay CMRS carriers will continue to exchange traffic with LECs at their current rates. Windstream stressed that it is critical that the Commission ensure that arbitrage schemes do not emerge during the implementation of the delay.

Sincerely yours,

/s/ Malena F. Barzilai

Malena F. Barzilai

cc: Angela Kronenberg

Secretary, Federal Communications Commission, WC Docket Nos. 10-90, 07-135, 05-337, GN Docket No. 09-51, CC Docket No. 01-92 (December 14, 2011); Letter from Jeffrey S. Lanning, CenturyLink, Michael T. Skrivan, Fairpoint, Michael D. Saperstein, Frontier, and Jennie B. Chandra, Windstream, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 07-135, 05-337, GN Docket No. 09-51, CC Docket No. 01-92 (December 20, 2011).

³ See Section 51.915(f) of the FCC’s new rules.